Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Message Text

LIMITED OFFICIAL USE

PAGE 01 BOGOTA 04833 221729Z
ACTION OES-07

INFO OCT-01 ARA-10 ISO-00 SS-15 AID-05 NSC-05 AGRE-00
CIAE-00 COME-00 EB-08 INR-10 LAB-04 NSAE-00 SP-02
STR-07 TRSE-00 FRB-03 OMB-01 /078 W
----------079601 230212Z /73
R 221631Z MAY 78
FM AMEMBASSY BOGOTA
TO SECSTATE WASHDC 8127

LIMITED OFFICIAL USE BOGOTA 4833

E.O. 11652: N/A
TAGS: SPOP, ECON, CO
SUBJ: ECONOMIC CONDITIONS: POPULATION GROWTH AND
ADEQUATE FOOD PRODUCTION

REF: STATE 107370

1. AS THE DEPARTMENT IS AWARE, THE USAID PROGRAM TO COLOMBIA IS BEING PHASED OUT AT COLOMBIA'S REQUEST, AND THERE ARE CURRENTLY NO PL-480 PROGRAMS IN COLOMBIA. BECAUSE OF THIS, IT IS NOT POSSIBLE TO DISCUSS POINTS RAISED IN REFTEL IN A DONOR-BORROWER CONTEXT. MOREOVER, THERE ARE SOME OTHER STRONG REASONS WHY IT WOULD BE INAPPROPRIATE FOR THE U.S. GOVERNMENT TO PREACH FOOD OUTPUT TO THE COLOMBIAN GOVERNMENT AT THIS TIME.

2. COLOMBIA IS AN AGRICULTURAL COUNTRY AND A NET FOOD EXPORTER. FROM 1967 TO 1976 COLOMBIA'S NON-COFFEE FOOD EXPORTS GREW AT AN ANNUAL AVERAGE RATE OF 23 PERCENT, INCREASING FROM $65 MILLION TO $332.5 MILLION. AGRICULTURAL EXPORTS NOW REPRESENT 69 PERCENT OF COLOMBIA'S TOTAL EXPORTS. IMPORTS OF FOOD STUFFS ON THE OTHER HAND WERE $112 MILLION IN 1976. WHILE A DROUGHT IN 1976-77 REDUCED AGRICULTURAL OUTPUT TO BELOW RECENT HISTORICAL TRENDS,
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BOGOTA 04833 221729Z

THE BASIC THRUST OF COLOMBIAN POLICIES REMAINS TO IN-CREASE AGRICULTURAL OUTPUT.

3. THE PRIORITY OF AGRICULTURAL OUTPUT, INCLUDING OUTPUT OF THE RURAL POOR, IS EVIDENCED BY A NUMBER OF POLICIES. THE TWO PRIMARY PIECES OF THE LOPEZ DEVELOPMENT PLAN ARE THE INTEGRATED RURAL DEVELOPMENT

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

AND THE FOOD AND NUTRITION PROGRAMS. THE GOAL OF BOTH
OF THESE PROGRAMS IS TO RAISE THE REAL INCOME AND OUT-
PUT OF THE RURAL POOR BY INCREASING THEIR PRO-
DUCTIVITY. WHILE THESE PROGRAMS ARE BOGGED DOWN IN
BUREAUCRACY, THEY DO REFLECT THE
HIGH PRIORITY THE GOVERNMENT GIVES TO INCREASING
AGRICULTURAL OUTPUT, INCLUDING THAT OF THE POOR.
CREDIT PROGRAMS FOR AGRICULTURAL PRODUCTION HAVE ALSO
BEEN EXPANDED SIGNIFICANTLY OVER THE LAST FEW YEARS.
WHILE ONE CAN SERIOUSLY QUESTION THE WISDOM OF SUB-
SIDIZED CREDIT, THE PROGRAMS DO REFLECT GOVERNMENT
PRIORITIES. LAND REFORM, COLONIZATION, FLOOD CONTROL
AND PRESUMPTIVE LAND TAXES, ARE OTHER POLICIES AIMED
AT INCREASING AGRICULTURAL OUTPUT. DEVELOPMENTS IN
FERTILIZER PRODUCTION, LABOR INTENSIVE CONSTRUCTION
OF FARM FEEDER ROADS, REDUCTION OF DUTIES ON AGRICULTURAL
MACHINERY AND AGRICHEMICALS, AND CREATION OF INCENTIVES
FOR AGRIBUSINESS DEVELOPMENT, ARE OTHER FEATURES RE-
FLECTING COLOMBIAN DEVELOPMENT PRIORITIES. THE COLOMBIAN
APPROACH TO THESE SORTS OF PROBLEMS IS USUALLY HIGHLY
CENTRALIZED AND BUREAUCRATIC WHICH LEADS TO RESOURCE
ALLOCATION BY BUREAUCRATIC PROCESSES AND QUEUE. THE TRA-
DITIONALLY RICH AND POWERFUL NOT SURPRISINGLY DISPROPOR-
TIONALLY CONTROL THE QUEUE, WITH THE RESULT THAT STATE
PROGRAMS OFTEN GO WIDE OF THE MARK. THIS IS MORE A
MATTER OF APPROACH THAN OF LACK OF CONCERN OR PRIORITIES.
LIMITED OFFICIAL USE

HOWEVER, MOREOVER, THE COLOMBIAN'S HAVE MANAGED TO IN-
CREASE AGRICULTURAL VALUE ADDED BY OVER 5 PERCENT A
YEAR SINCE 1967. THIS GROWTH HAS OCCURRED LARGELY AS
A RESULT OF THE SHIFT TOWARD EXPORT LED GROWTH SO
THAT THE PER CAPITA AVAILABILITY OF PROTEIN HAS NOT
IMPROVED IN RECENT YEARS.

4. DURING THE PERIOD OF VIO-
LENCE FROM THE LATE FORTIES TO THE EARLY SIXTIES,
COLOMBIA CHANGED FROM BEING 60 PERCENT RURAL TO 60 PER-
CENT URBAN. AS A RESULT, THE PRIMARY LOCUS OF POLITI-
CAL AND ECONOMIC PROBLEMS HAS SHIFTED TO THE CITIES.
THE RADICAL DROP IN RURAL POPULATION HAS LED TO A
SLIGHT RURAL LABOR SCARCITY AND AN INCREASE IN REAL
RURAL INCOMES. AN INDEX ON THE QUALITY OF LIFE WHICH
INCLUDE LITERACY, INFANT MORTALITY, AND LIFE EXPECTANCY
FOR THE COUNTRY AS A WHOLE, INCREASED BY 1.7 PERCENT A
YEAR FROM 1960 TO 1970. AN INDEX OF PUBLIC SERVICES-
WATER AND ELECTRICITY-DOUBLED DURING THE SAME PERIOD
FOR RUAL AREAS. WHILE THE RURAL AREAS REMAIN
THE MOST POOR AND BACKWARD IN COLOMBIA, AT THE
MARGIN THEY HAVE BEEN INCREASING THEIR REAL INCOMES

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

AT A MORE RAPID RATE THAN THE COUNTRY AS A WHOLE, AND
THE COUNTRY AS A WHOLE HAS ENJOYED HEALTHY INCOME
GROWTH.

5. COLOMBIA'S SUCCESS WITH POPULATION CONTROL HAS BE-
COME INTERNATIONALLY WELL KNOWN. THROUGH VOLUNTARY,
QUASI-PUBLIC, AND PUBLIC PROGRAMS THE POPULATION GROWTH
RATE HAS BEEN BROUGHT DOWN FROM OVER 3 PERCENT IN THE
FIFTIES AND SIXTIES TO BELOW 2.0 PERCENT IN 1977.

6. WHEREVER ONE LOOKS IN COLOMBIA THERE IS EVIDENCE
OF A PRIORITY GIVEN AGRICULTURAL OUTPUT. WHILE NOT
ALL APPROACHES ARE FULLY SUCCESSFUL, THERE IS LITTLE
QUESTION ABOUT THE PRIORITY, AND THERE IS EVIDENCE
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

THAT COLOMBIA IS DOING SOME THINGS RIGHT BECAUSE AGRI-
CULTURAL OUTPUT, AND EXPORTS, HAVE GROWN VERY HEALTHILY
AND RURAL INCOMES ARE IMPROVING. IT IS THEREFORE A
LITTLE DIFFICULT TO RAISE THE ISSUE IN THE CONTEXT AND
TONE SUGGESTED BY THE REFTEL. MOREOVER, COLOMBIANS
WELL REMEMBER THAT BEFORE THE U.S. BEGAN EXPRESSING
CONCERN WITH RURAL POVERTY AND FOOD PRODUCTION, IT
TALKED FOR YEARS ABOUT INDUSTRIALIZATION AND DIVERSIFI-
CATION OF EXPORTS. LAST WEEK A U.S. TEXTILE NEGOTIA-
TION TEAM WAS IN BOGOA BECAUSE OF ONE OF THE SUCCESSES
OF COLOMBIA'S DIVERSIFICATION AND INDUSTRIALIZATION
EFFORT. IN ADDITION, COLOMBIAN AGRICULTURAL EXPORTS
OF FLOWERS AND SUGAR HAVE ALREADY FELT U.S. PRO-
TECTIONIST PRESSURE AND IT IS NOT INCONCEIVABLE THAT,
GIVEN PAST LEVELS OF AGRICULTURAL EXPORT GROWTH, THERE
WILL BE OTHER AGRICULTURAL COMMODITIES THAT WILL SOME
DAY FACE U.S. PROTECTION. GIVEN THESE FACTORS ANY
DEMARCHE ALONG THE LINES OF THE REFTEL WILL OPEN THE
EMBASSY TO STRONG COUNTER ARGUMENTS ABOUT COMPARA-
TIVE ADVANTAGE AND U.S. PROTECTIONISM.

7. I WILL TAKE APPROPRIATE OPPORTUNITIES TO ENCOURAGE
EXISTING COLOMBIAN EFFORTS IN THE AGRICULTURAL FIELD,
AND THROUGH OTHER MEANS IMPRESS THE VIEW ON COLOMBIANS
THAT WITH THEIR AGRICULTURAL WEALTH, AND WITH DEVELOP-
ING WORLD FOOD SHORTAGES, COLOMBIA IS WISE TO CONTINUE
TO EMPHASIZE INCREASED AGRICULTURAL PRODUCTION.
MY OWN EMPHASIS, AND THIS WILL BE PARTICULARLY TRUE IF
WE HAVE AN OPPORTUNITY TO REESTABLISH A BI-LATERAL DONOR
RELATIONSHIP, IS TO FOCUS ON THE APPROACH AND THE MECHANISMS
THE COLOMBIANS USE TO ACHIEVE THEIR COLLECTIVE PRIORI-
TIES. THIS MUST NECESSARILY FOCUS ON THE
ENTIRE ECONOMY AND NOT JUST ON THE AGRICULTURAL SECTOR.
LIMITED OFFICIAL USE

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

ASENCIO

NNN

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC CONDITIONS, AGRICULTURAL PRODUCTION, POPULATION GROWTH RATE, FOODS
Control Number: n/a
Copy: SINGLE
Draft Date: 22 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978BOGOTA04833
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780216-0286
Format: TEL
From: BOGOTA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780535/aaaabdbv.tel
Line Count: 176
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: dec98a99-c288-dd11-92da-001cc4696bcc
Office: ACTION OES
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 STATE 107370
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2621135
Secure: OPEN
Status: NATIVE
Subject: ECONOMIC CONDITIONS: POPULATION GROWTH AND ADEQUATE FOOD PRODUCTION
TAGS: SPOP, ECON, CO
To: STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/dec98a99-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014